

EXHIBIT A



BrokerCheck Report
STANFORD GROUP COMPANY

CRD# 39285

Report #70250-54407, data current as of Thursday, April 16, 2009.

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Dear Investor:

FINRA has generated the following BrokerCheck report for **STANFORD GROUP COMPANY**. The information contained within this report has been provided by a FINRA brokerage firm(s) and securities regulators as part of the securities industry's registration and licensing process and represents the most current information reported to the Central Registration Depository (CRD®).

FINRA regulates the securities markets for the ultimate benefit and protection of the investor. FINRA believes the general public should have access to information that will help them determine whether to conduct, or continue to conduct, business with a FINRA member. To that end, FINRA has adopted a public disclosure policy to make certain types of information available to you. Examples of information FINRA provides include: regulatory actions, investment-related civil suits, customer disputes that contain allegations of sales practice violations against brokers, all felony charges and convictions, misdemeanor charges and convictions relating to securities violations, and financial events such as bankruptcies, compromises with creditors, judgments, and liens.

When evaluating this report, please keep in mind that it may include items that involve pending actions or allegations that may be contested and have not been resolved or proven. Such items may, in the end, be withdrawn or dismissed, or resolved in favor of the individual broker, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

The information in this report is not the only resource you should consult. FINRA recommends that you learn as much as possible about the individual broker or firm from other sources, such as professional references, local consumer and investment groups, or friends and family members who already have

established investment business relationships.

FINRA BrokerCheck is governed by federal law, Securities and Exchange Commission (SEC) regulations and FINRA rules approved by the SEC. State disclosure programs are governed by state law, and may provide additional information on brokers licensed by the state. Therefore, you should also consider requesting information from your state securities regulator. Refer to www.nasaa.org for a complete list of state securities regulators.

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Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at

brokercheck.finra.org



For additional information about the contents of this report, please refer to the User Guidance or www.finra.org/brokercheck. It provides a glossary of terms and a list of frequently asked questions, as well as additional resources. For more information about FINRA, visit www.finra.org.

STANFORD GROUP COMPANY

CRD# 39285

SEC# 8-48611

Main Office Location

5051 WESTHEIMER

14TH FLOOR

HOUSTON, TX 77056

Regulated by FINRA Dallas Office

Mailing Address

5051 WESTHEIMER

14TH FLOOR

HOUSTON, TX 77056

Business Telephone Number

713/964-8300

This firm is a brokerage firm and an investment adviser firm. For more information about investment adviser firms, visit the SEC's Investment Adviser Public Disclosure website at:

<http://www.adviserinfo.sec.gov>

Report Summary for this Firm

The report summary provides an overview of the firm's background. The firm and a securities regulator(s) have provided the information contained in this report as part of the securities industry registration and licensing process. More detailed information for this firm can be found in the firm's PDF report. Select "View Full PDF Report" to view the detailed information about this firm. The information contained in this report was last updated by the firm via Uniform Application for Broker-Dealer Registration (Form BD), the Uniform Request for Broker-Dealer Withdrawal (Form BDW), or a securities regulator via a Uniform Disciplinary Action Reporting Form (Form U6) on 04/15/2009.

Firm Profile

This firm is classified as a corporation.

This firm was formed in Texas on 07/21/1995.

Its fiscal year ends in December.

Firm History

Information relating to the firm's history such as Other Business Names, Other Business, and Successions (e.g., mergers or acquisitions) can be found in the firm's full PDF report.

Firm Operations

This firm is registered with:

- the SEC
- 3 Self-Regulatory Organizations
- 53 U.S. states and territories

Is this brokerage firm currently suspended with any regulator? Yes

This firm conducts 20 types of businesses.

This firm is affiliated with financial or investment institutions.

This firm has referral or financial arrangements with other brokers or dealers.

Disclosure of Arbitration Awards, Disciplinary, Financial, and Regulatory Events

This section includes details regarding disclosure events reported by or about this firm to CRD as part of the securities industry registration and licensing process. Examples of such disclosure events range from disciplinary actions initiated by regulators to certain criminal charges and/or convictions, to financial disclosures such as bankruptcies, and summary information regarding arbitration awards involving securities and commodities disputes between public customers and FINRA-registered firms.

Are there events disclosed about this firm? Yes

The following types of disclosures were reported:

Regulatory Event

Civil Event

Arbitration



Firm Profile

This firm is classified as a corporation.

This firm was formed in Texas on 07/21/1995.

Its fiscal year ends in December.

Firm Names and Locations

This section includes details, as reported by the firm on Form BD, regarding the firm's full legal name, business and mailing addresses, the firm's "doing business as" name (i.e., "DBA" name) if different from the full legal name, and any other name by which the firm conducts business and where such name is used.

STANFORD GROUP COMPANY

Doing business as STANFORD GROUP COMPANY

CRD# 39285

SEC# 8-48611

Main Office Location

5051 WESTHEIMER

14TH FLOOR

HOUSTON, TX 77056

Regulated by FINRA Dallas Office

Mailing Address

5051 WESTHEIMER

14TH FLOOR

HOUSTON, TX 77056

Business Telephone Number

713/964-8300

Other Names of this Firm

Name	Where is it used
SGC	PA
STANFORD GROUP COMPANY (TEXAS)	GA
STANFORD GROUP COMPANY INC.	AL
STANFORD GROUP COMPANY OF FLORIDA	DE
STANFORD GROUP COMPANY OF TEXAS	NY
STANFORD GROUP COMPANY OF TEXAS, INC.	NJ
STANFORD GROUP COMPANY, A TEXAS CORPORATION	OR

SGC	PA
STANFORD GROUP COMPANY (TEXAS)	GA
STANFORD GROUP COMPANY INC.	AL
STANFORD GROUP COMPANY OF FLORIDA	DE
STANFORD GROUP COMPANY OF TEXAS	NY
STANFORD GROUP COMPANY OF TEXAS, INC.	NJ
STANFORD GROUP COMPANY, A TEXAS CORPORATION	OR

TEXAS STANFORD GROUP COMPANY

CA

TEXAS STANFORD GROUP COMPANY (FN)

AZ

Firm Profile

This section provides information relating to Direct Owners and Executive Officers as reported by the firm on Form BD.

Direct Owners and Executive Officers

Legal Name & CRD# (if any): STANFORD GROUP HOLDINGS INC.

Is this a domestic or foreign entity or an individual? Domestic Entity

Position OWNER

Position Start Date 11/1999

Percentage of Ownership 75% or more

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): FRAM, FREDERICK GORDON

1701062

Is this a domestic or foreign entity or an individual? Individual

Position SENIOR DIRECTOR OF OPERATIONS

Position Start Date 06/2006

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): POPPELL, RALPH EDWARD

1683087

Is this a domestic or foreign entity or an individual? Individual

Position SENIOR VICE PRESIDENT

Position Start Date 01/2008





Firm Profile

Direct Owners and Executive Officers (continued)

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No



Firm Profile

This section provides information relating to Indirect Owners, if any, as reported by the firm on Form BD.

Indirect Owners

Legal Name & CRD# (if any):	STANFORD, ROBERT ALLEN 2659919 Individual STANFORD GROUP HOLDINGS INC.
Is this a domestic or foreign entity or an individual?	
Company through which indirect ownership is established	
Relationship to Direct Owner	DIRECTOR/SHAREHOLDER
Relationship Established	11/1999
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Firm History

This section provides information relating to successions (e.g., mergers or acquisitions), if any, as reported by the firm on Form BD.

No information reported.





Firm Operations

Registrations

This section provides information about the regulators (e.g., U.S. Securities and Exchange Commission (SEC), self-regulatory organizations, states and U.S. territories) the firm is currently registered and licensed with, the category of each registration, and the date on which the registration status became effective, as well as certain information about the firm's SEC registration.

This firm is currently registered with the SEC, 3 SROs and 53 U.S. states and territories.

Federal Regulator	Status	Date Effective
SEC	Approved	10/25/1995

SEC Registration Questions

This firm is registered with the SEC as:

A broker-dealer: Yes

A broker-dealer and government securities broker or dealer: Yes

A government securities broker or dealer only: No

This firm has ceased activity as a government securities broker or dealer: No

Self-Regulatory Organization	Status	Date Effective
FINRA	Approved	10/25/1995
NASDAQ Stock Market	Approved	07/12/2006
NYSE Arca, Inc.	Suspended	07/20/2005

Firm Operations**Registrations (continued)**

U.S. States & Territories	Status	Date Effective
Alabama	Approved	10/27/1995
Alaska	Approved	08/08/1997
Arizona	Approved	07/02/1997
Arkansas	Approved	07/02/1997
California	Approved	10/30/1995
Colorado	Approved	02/07/1997
Connecticut	Approved	07/01/1997
Delaware	Approved	06/30/1997
District of Columbia	Approved	07/02/1997
Florida	Approved	10/26/1995
Georgia	Approved	10/26/1995
Hawaii	Approved	04/06/1998
Idaho	Approved	06/25/1997
Illinois	Approved	01/21/1997
Indiana	Approved	06/23/1997
Iowa	Approved	11/01/1995
Kansas	Approved	07/14/1997
Kentucky	Approved	07/03/1997
Louisiana	Approved	10/30/1995
Maine	Approved	01/02/1996
Maryland	Approved	06/30/1997
Massachusetts	Approved	06/24/1997
Michigan	Approved	11/16/1995
Minnesota	Approved	08/12/1997
Mississippi	Approved	10/25/1995
Missouri	Approved	04/11/1997
Montana	Approved	06/03/1997
Nebraska	Approved	07/08/1997
Nevada	Approved	01/10/1997
New Hampshire	Approved	10/25/1995
New Jersey	Approved	10/26/1995
New Mexico	Approved	01/22/1997
New York	Approved	11/02/1995

U.S. States & Territories	Status	Date Effective
North Carolina	Approved	06/23/1997
North Dakota	Approved	07/11/1997
Ohio	Approved	10/26/1995
Oklahoma	Approved	01/24/1997
Oregon	Approved	07/03/1997
Pennsylvania	Approved	10/13/1995
Puerto Rico	Approved	10/22/1997
Rhode Island	Approved	07/23/1997
South Carolina	Approved	11/08/1995
South Dakota	Approved	06/24/1997
Tennessee	Approved	06/24/1997
Texas	Approved	09/21/1995
Utah	Approved	06/05/1997
Vermont	Approved	07/29/1997
Virgin Islands	Approved	05/29/2007
Virginia	Approved	06/19/1997
Washington	Approved	01/17/1997
West Virginia	Approved	06/23/1997
Wisconsin	Approved	01/21/1997
Wyoming	Approved	06/10/1997





Firm Operations

Types of Business

This section provides the types of business and any other business or other non-securities business the firm is engaged in or is expected to be engaged in as reported by the firm on Form BD.

This firm currently conducts 20 types of businesses.

Types of Business

Broker or dealer making inter-dealer markets in corporation securities over-the-counter

Broker or dealer retailing corporate equity securities over-the-counter

Broker or dealer selling corporate debt securities

Underwriter or selling group participant (corporate securities other than mutual funds)

Mutual fund retailer

U S. government securities dealer

U S. government securities broker

Municipal securities dealer

Municipal securities broker

Broker or dealer selling variable life insurance or annuities

Solicitor of time deposits in a financial institution

Put and call broker or dealer or option writer

Investment advisory services

Broker or dealer selling tax shelters or limited partnerships in primary distributions

Broker or dealer selling tax shelters or limited partnerships in the secondary market

Non-exchange member arranging for transactions in listed securities by exchange member

Trading securities for own account

Private placements of securities

Broker or dealer involved in a networking, kiosk or similar arrangement with a bank, savings bank or association, or credit union

Broker or dealer involved in a networking, kiosk or similar arrangement with a insurance company or agency

Other Types of Business

This firm does affect transactions in commodities, commodity futures, or commodity options.

This firm does not engage in other non-securities business.

Non-Securities Business Description:



Firm Operations

Clearing Arrangements

This firm does not hold or maintain funds or securities or provide clearing services for other broker-dealer(s).

Introducing Arrangements

This firm does refer or introduce customers to other brokers and dealers.

Name: ADM INVESTOR SERVICES, INC.
Business Address: 141 WEST JACKSON BOULEVARD
 SUITE 1600A
 CHICAGO, IL 60604
Effective Date: 09/23/2008
Description: WE INTRODUCE CUSTOMERS AND CLEAR OUR TRADES THROUGH
 ADM ON A DISCLOSED BASIS.

Name: PERSHING LLC
Business Address: ONE PERSHING PLAZA
 JERSEY CITY, NJ 07399
Effective Date: 12/27/2005
Description: APPLICANT CLEARS ON A FULLY DISCLOSED BASIS THROUGH
 PERSHING LLC

Name: BEAR STEARNS SECURITIES CORP.
Business Address: 245 PARK AVENUE
 NEW YORK, NY 10167
Effective Date: 09/29/1995
Description: APPLICANT CLEARS ON A FULLY DISCLOSED BASIS THROUGH BEAR
 STEARNS



Firm Operations

Industry Arrangements

This firm does have books or records maintained by a third party.

Name: ADM INVESTOR SERVICES, INC.
Business Address: 141 WEST JACKSON BOULEVARD
 SUITE 1600A
 CHICAGO, IL 60604
Effective Date: 09/23/2008
Description: WE INTRODUCE CUSTOMERS AND CLEAR OUR TRADES THROUGH
 ADM ON A DISCLOSED BASIS.

Name: PERSHING LLC
Business Address: ONE PERSHING PLAZA
 JERSEY CITY, NJ 07399
Effective Date: 12/27/2005
Description: APPLICANT CLEARS ON A FULLY DISCLOSED BASIS THROUGH
 PERSHING LLC

Name: BEAR STEARNS SECURITIES CORP.
Business Address: 245 PARK AVENUE
 NEW YORK, NY 10167
Effective Date: 09/29/1995
Description: APPLICANT CLEARS ON A FULLY DISCLOSED BASIS THROUGH BEAR
 STEARNS

This firm does not have accounts, funds, or securities maintained by a third party.

This firm does not have customer accounts, funds, or securities maintained by a third party.

Control Persons/Financing

This firm does not have individuals who control its management or policies through agreement.

This firm does not have individuals who wholly or partly finance the firm's business.

Firm Operations

Organization Affiliates

This section provides information relating to control relationships with entities engaged in the securities, investment advisory, or banking business as reported by the firm on Form BD.

This firm is, directly or indirectly:

- in control of
- controlled by
- or under common control with the following partnerships, corporations, or other organizations engaged in the securities or investment advisory business.

STANFORD GLOBAL ADVISORY, LLC is under common control with the firm.

CRD #: 147042

Business Address: 2104 HILL STREET
CHRISTIANSTED, VI 00820-4828

Effective Date: 06/04/2008

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: THIS COMPANY IS UNDER COMMON CONTROL WITH STANFORD GROUP COMPANY IN THAT THE ULTIMATE BENEFICIAL OWNER OF EACH ENTITY IS R. ALLEN STANFORD.

STANFORD FAMILY OFFICE, LLC is under common control with the firm.

CRD #: 146315

Business Address: 5051 WESTHEIMER
11TH FLOOR
HOUSTON, TX 77056

Effective Date: 05/01/2008

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes



Firm Operations**Organization Affiliates (continued)**

Description: THIS COMPANY IS UNDER COMMON CONTROL WITH STANFORD GROUP COMPANY IN THAT THE ULTIMATE BENEFICIAL OWNER OF EACH ENTITY IS R. ALLEN STANFORD.

STANFORD CASA DE VALORES, S.A. is under common control with the firm.

Business Address: SAMUEAL LEWIS AVENUE AND 54TH STREET URBANIZACION OBARRIO TORRE BUILDING GENERALI, 19TH FLOOR PANAMA, REPUBLIC OF PANAMA

Effective Date: 01/30/2007

Foreign Entity: Yes
Country: REPUBLIC OF PANAMA

Securities Activities: Yes
Investment Advisory Activities: No

Description: THIS COMPANY IS UNDER COMMON CONTROL WITH STANFORD GROUP COMPANY IN THAT THE ULTIMATE BENEFICIAL OWNER OF EACH ENTITY IS R. ALLEN STANFORD.

STANFORD BOLSA Y BANCA S.A. is under common control with the firm.

Business Address: CARRERA 7 NO. 73-55 PISO 9 BOGOTA D.C., REPUBLIC OF COLUMBIA

Effective Date: 02/02/2007

Foreign Entity: Yes
Country: REPUBLIC OF COLUMBIA

Securities Activities: Yes
Investment Advisory Activities: No

Description: THIS COMPANY IS UNDER COMMON CONTROL WITH STANFORD GROUP COMPANY IN THAT THE ULTIMATE BENEFICIAL OWNER OF EACH ENTITY IS R. ALLEN STANFORD.

STANFORD CAPITAL MANAGEMENT, LLC is under common control with the firm.

CRD #: 141553

Business Address: 5051 WESTHEIMER HOUSTON, TX 77056

Firm Operations**Organization Affiliates (continued)**

Effective Date: 09/11/2006
Foreign Entity: No
Country:
Securities Activities: No
Investment Advisory Activities: Yes
Description: THIS COMPANY IS UNDER COMMON CONTROL WITH STANFORD GROUP COMPANY IN THAT THE ULTIMATE BENEFICIAL OWNER OF EACH ENTITY IS R. ALLEN STANFORD.

STANFORD GROUP PERU S.I.V. is under common control with the firm.

Business Address: AVENIDA VICTOR ANDRES BELAUNDE NO 147
 VIA PRINCIPAL 140 EDIFICIO REAL SEIS, PISO 7
 LIMA, REPUBLIC OF PERU
Effective Date: 12/28/2005
Foreign Entity: Yes
Country: PERU
Securities Activities: Yes
Investment Advisory Activities: Yes
Description: THIS COMPANY IS UNDER COMMON CONTROL WITH STANFORD GROUP COMPANY IN THAT THE ULTIMATE BENEFICIAL OWNER OF EACH ENTITY IS R. ALLEN STANFORD.

STANFORD GROUP (SUISSE) AG is under common control with the firm.

Business Address: ALDERSTRASSE 49
 ZURICH, SWITZERLAND 8008
Effective Date: 03/07/2004
Foreign Entity: Yes
Country: SWITZERLAND
Securities Activities: No
Investment Advisory Activities: Yes
Description: THIS COMPANY IS UNDER COMMON CONTROL WITH STANFORD GROUP
 ©2009 FINRA. All rights reserved. Report# 70250-54407 about STANFORD GROUP COMPANY. Data current as of Thursday, April 16, 2009.

Firm Operations**Organization Affiliates (continued)**

COMPANY IN THAT THE ULTIMATE BENEFICIAL OWNER OF EACH ENTITY IS R. ALLEN STANFORD.

STANFORD GROUP (ANTIGUA) LTD. is under common control with the firm.

Business Address: NO. 11 PAVILLION DRIVE
ST. JOHNS, ANTIGUA, WEST INDIES

Effective Date: 12/17/2003

Foreign Entity: Yes

Country: ANTIGUA, WEST INDIES

Securities Activities: No

Investment Advisory Activities: Yes

Description: THIS COMPANY IS UNDER COMMON CONTROL WITH STANFORD GROUP COMPANY IN THAT THE ULTIMATE BENEFICIAL OWNER OF EACH ENTITY IS R. ALLEN STANFORD.

STANFORD GROUP ARUBA N.V. is under common control with the firm.

Business Address: MARISOL BUILDING, 2ND FLOOR
L.G. SMITH BOULEVARD 60
ORAJESTAD, ARUBA, DUTCH WEST INDIES N/A

Effective Date: 01/19/1989

Foreign Entity: Yes

Country: ARUBA, DUTCH WEST INDIES

Securities Activities: No

Investment Advisory Activities: Yes

Description: THIS COMPANY IS UNDER COMMON CONTROL WITH STANFORD GROUP COMPANY IN THAT THE ULTIMATE BENEFICIAL OWNER OF EACH ENTITY IS R. ALLEN STANFORD.

STANFORD GROUP CASA DE VALORES, S.A. is under common control with the firm.

Business Address: EDIFICIO WORLD TRADE CENTER
AVENIDA 12 DE OCTUBRE 1942 Y CORDERO, PISO 10
QUITO, ECUADOR N/A

Effective Date: 05/05/1994





Firm Operations

Organization Affiliates (continued)

Foreign Entity:	Yes	
Country:	ECUADOR	
Securities Activities:	Yes	
Investment Advisory Activities:	No	
Description:	THIS COMPANY IS UNDER COMMON CONTROL WITH STANFORD GROUP COMPANY IN THAT THE ULTIMATE BENEFICIAL OWNER OF EACH ENTITY IS R. ALLEN STANFORD.	
STANFORD GROUP VENEZUELA ASESORES DE INVERSION, C.A. is under common control with the firm.		
Business Address:	URBANIZACION EL ROSAL, AVENIDA TAMANACO TORRE NORD, PISO 2 CARACAS, VENEZUELA N/A	
Effective Date:	12/16/1996	
Foreign Entity:	Yes	
Country:	VENEZUELA	
Securities Activities:	No	
Investment Advisory Activities:	Yes	
Description:	THIS COMPANY IS UNDER COMMON CONTROL WITH STANFORD GROUP COMPANY IN THAT THE ULTIMATE BENEFICIAL OWNER OF EACH ENTITY IS R. ALLEN STANFORD.	

This firm is not directly or indirectly, controlled by the following:

- bank holding company
- national bank
- state member bank of the Federal Reserve System
- state non-member bank
- savings bank or association
- credit union
- or foreign bank

Disclosure of Arbitration Awards, Disciplinary, Financial, and Regulatory Events

Firms are required to answer a series of disclosure questions on Form BD and provide the corresponding details to any reported events as part of the securities industry registration and licensing process. The disclosure questions concern criminal and regulatory events, civil actions, and certain financial disclosures such as bankruptcy or liquidation proceedings filed within the past ten years, bond actions and unpaid judgments and liens. The firm must answer either "yes" or "no" to each question as it applies to the firm itself or to any of its control affiliates (i.e., an individual, partnership, corporation, trust, or other organization that directly or indirectly controls, is under common control with, or is controlled by the firm). This section lists the various disclosure questions and their corresponding answers as reported by the firm on Form BD.



Possible multiple reporting sources -- please note:

Disclosure event details may be reported by more than one source (i.e., regulator or firm). When this occurs, all versions of the reported event will appear in the firm's BrokerCheck report. The different versions of the same reported disclosure event are separated by a solid line with the reporting source clearly labeled.

	Pending	Final	On Appeal
Regulatory Event	0	4	0
Civil Event	1	0	0
Arbitration	N/A	9	N/A



Disclosure Event Details

This section provides the specific details for each disclosure event, as reported by the firm on Form BD, that correspond with any "yes" answers to the various Form BD disclosure questions. It also includes summary information regarding arbitration awards in cases where the firm was named as a respondent in the arbitration proceeding, if any.

Nothing will be displayed in this section of the firm's BrokerCheck Report when the firm has no reported disclosure information.

If the firm does have reported disclosure events, please keep the following in mind when evaluating the disclosure event details. Items may involve pending actions or allegations that may be contested and have not been resolved or proven. The items may, in the end, be withdrawn or dismissed, or resolved in favor of the firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to CRD by the firm and/or by securities industry regulators. Some of the specific data fields contained in this section of the report may be blank if the information was not provided to CRD.

Disclosure event details may be reported by more than one source (i.e., regulator and firm). When this occurs, all versions of the reported event will appear in the firm's BrokerCheck report. A solid line separates the different versions of the same reported disclosure event with the reporting source clearly labeled (e.g., Source: Firm or Source: Regulator).

Regulatory - Final

This section provides information regarding any final, regulatory action as reported by the firm and/or a securities regulator to CRD as part of the securities industry registration and licensing process. Such event may include a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, a self-regulatory organization, a federal regulator such as the U.S. Securities and Exchange Commission (SEC) or the Commodity Futures Trading Commission (CFTC), or a foreign financial regulatory body) for a violation of investment-related rules or regulations. In addition, a revocation or suspension of the authority of a firm's control affiliate to act as an attorney, accountant or federal contractor, if any, will appear here.

Disclosure 1 of 4

Reporting Source: Regulator

Current Status: Final

Allegations: NASD RULES 2110, 2711(H)(2)(A)(II)(B), 2711(H)(6), 2711(H)(7), 2711(H)(8), 2711(H)(10), 2711(I): STANFORD GROUP FAILED TO DISCLOSE IN RESEARCH REPORTS THAT IT HAD RECEIVED COMPENSATION FOR INVESTMENT SERVICES FROM A SUBJECT COMPANY DURING THE TWELVE-MONTH PERIOD THAT PRECEDED THE PUBLICATION OF THE RESEARCH REPORT. THE FIRM FAILED TO INCLUDE REQUIRED PRICE CHARTS IN RESEARCH REPORTS. THE FIRM FAILED TO DISCLOSE IN RESEARCH REPORTS THE VALUATION METHODS USED TO DETERMINE



THE STATED PRICE TARGET AND/OR THE RISKS THAT MAY IMPEDE ACHIEVEMENT OF THE PRICE TARGET. THE FIRM FAILED TO DISCLOSE IN RESEARCH REPORTS THAT IT WAS MAKING A MARKET IN THE SUBJECT'S SECURITIES AT THE TIME THE RESEARCH REPORTS WERE PUBLISHED. THE FIRM FAILED TO PROVIDE CLEAR AND COMPREHENSIVE DISCLOSURES IN PUBLISHED RESEARCH REPORTS. SPECIFICALLY, THE FIRM'S RESEARCH REPORTS DID NOT INCLUDE CLEAR, COMPREHENSIVE, AND PROMINENT DISCLOSURES REGARDING WHETHER STANFORD OR ANY OF ITS AFFILIATES, OFFICERS OR EMPLOYEES HELD INTEREST IN THE SECURITIES OF THE SUBJECT COMPANIES OR WHETHER STANFORD HAD MANAGED OR CO-MANAGED A PUBLIC OFFERING OF THE SUBJECT COMPANIES' SECURITIES. THE FIRM FAILED TO ADOPT AND IMPLEMENT WRITTEN SUPERVISORY PROCEDURES REASONABLY DESIGNED TO ENSURE THAT THE FIRM AND ITS EMPLOYEES COMPLIED WITH VARIOUS PROVISIONS REGARDING THE REVIEW AND APPROVAL OF RESEARCH REPORTS PRIOR TO DISSEMINATION TO THE PUBLIC.

Initiated By: FINRA

Date Initiated: 11/20/2008

Docket/Case Number: 2007007168001

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 11/20/2008

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$30,000.00

Other Sanctions Ordered:

Sanction Details:

WITHOUT ADMITTING OR DENYING THE FINDINGS THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS: THEREFORE, THE FIRM IS CENSURED AND FINED \$30,000.

**Reporting Source:**

Firm

Current Status:

Final

Allegations:

NASD RULES 2110, 2711(H)(2)(A)(II)(B), 2711(H)(6), 2711(H)(7), 2711(H)(8), 2711(H)(10), 2711(I): STANFORD GROUP FAILED TO DISCLOSE IN RESEARCH REPORTS THAT IT HAD RECEIVED COMPENSATION FOR INVESTMENT SERVICES FROM A SUBJECT COMPANY DURING THE TWELVE-MONTH PERIOD THAT PRECEDED THE PUBLICATION OF THE RESEARCH REPORT. THE FIRM FAILED TO INCLUDE REQUIRED PRICE CHARTS IN RESEARCH REPORTS. THE FIRM FAILED TO DISCLOSE IN RESEARCH REPORTS THE VALUATION METHODS USED TO DETERMINE THE STATED PRICE TARGET AND/OR THE RISKS THAT MAY IMPEDE ACHIEVEMENT OF THE PRICE TARGET. THE FIRM FAILED TO DISCLOSE IN RESEARCH REPORTS THAT IT WAS MAKING A MARKET IN THE SUBJECT'S SECURITIES AT THE TIME THE RESEARCH REPORTS WERE PUBLISHED. THE FIRM FAILED TO PROVIDE CLEAR AND COMPREHENSIVE DISCLOSURES IN PUBLISHED RESEARCH REPORTS. SPECIFICALLY, THE FIRM'S RESEARCH REPORTS DID NOT INCLUDE CLEAR, COMPREHENSIVE, AND PROMINENT DISCLOSURES REGARDING WHETHER STANFORD OR ANY OF ITS AFFILIATES, OFFICERS OR EMPLOYEES HELD INTEREST IN THE SECURITIES OF THE SUBJECT COMPANIES OR WHETHER STANFORD HAD MANAGED OR CO-MANAGED A PUBLIC OFFERING OF THE SUBJECT COMPANIES' SECURITIES. THE FIRM FAILED TO ADOPT AND IMPLEMENT WRITTEN SUPERVISORY PROCEDURES REASONABLY DESIGNED TO ENSURE THAT THE FIRM AND ITS EMPLOYEES COMPLIED WITH VARIOUS PROVISIONS REGARDING THE REVIEW AND APPROVAL OF RESEARCH REPORTS PRIOR TO DISSEMINATION TO THE PUBLIC.

Initiated By:

FINRA

Date Initiated:

11/24/2008

Docket/Case Number:

2007007168001

Principal Product Type:

No Product

Other Product Type(s):**Principal Sanction(s)/Relief Sought:****Other Sanction(s)/Relief Sought:****Resolution:**

Acceptance, Waiver & Consent(AWC)

Resolution Date:

11/24/2008

**Sanctions Ordered:**

Censure
Monetary/Fine \$30,000.00

Other Sanctions Ordered:**Sanction Details:**

WITHOUT ADMITTING OR DENYING THE FINDINGS THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS: THERE, THE FIRM IS CENSURED AND FINED \$30,000.00

Disclosure 2 of 4**Reporting Source:**

Regulator

Current Status:

Final

Allegations:

MSRB RULES G-14(B)(I), G-14(B)(II), G-27 - STANFORD GROUP COMPANY FAILED TO REPORT CUSTOMER TRANSACTIONS IN MUNICIPAL SECURITIES WITHIN 15 MINUTES AFTER EXECUTION. THE FIRM FAILED TO SHOW THE CORRECT TIME OF EXECUTION TO THE REAL-TIME TRANSACTION REPORTING SYSTEM (RTRS) FOR CUSTOMER TRANSACTIONS IN MUNICIPAL SECURITIES. THE FIRM REPORTED "STEP OUT" TRANSACTIONS IN MUNICIPAL SECURITIES, OR INTER-DEALER DELIVERIES, TO THE RTRS THAT IT WAS NOT REQUIRED TO REPORT. THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, REGULATIONS AND NASD RULES CONCERNING TIMELY TRANSACTION REPORTING TO THE MUNICIPAL SECURITIES RULEMAKING BOARD (MSRB).

Initiated By:

FINRA

Date Initiated:

07/22/2008

Docket/Case Number:

20060058636-01

Principal Product Type:

Debt - Municipal

Other Product Type(s):**Principal Sanction(s)/Relief Sought:****Other Sanction(s)/Relief Sought:****Resolution:**

Acceptance, Waiver & Consent(AWC)

Resolution Date:

07/22/2008



Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?

No

Sanctions Ordered:

Censure
Monetary/Fine \$10,000.00

Other Sanctions Ordered:

Sanction Details:

WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$10,000.

Reporting Source:

Firm

Current Status:

Final

Allegations:

MSRB RULES G-14(B)(I), G-14(B)(II), G-27 - STANFORD GROUP COMPANY FAILED TO REPORT CUSTOMER TRANSACTIONS IN MUNICIPAL SECURITIES WITHIN 15 MINUTES AFTER EXECUTION. THE FIRM FAILED TO SHOW THE CORRECT TIME OF EXECUTION TO THE REAL-TIME TRANSACTION REPORTING SYSTEM (RTRS) FOR CUSTOMER TRANSACTIONS IN MUNICIPAL SECURITIES. THE FIRM REPORTED "STEP OUT" TRANSACTIONS IN MUNICIPAL SECURITIES, OR INTER-DEALER DELIVERIES, TO THE RTRS THAT IT WAS NOT REQUIRED TO REPORT. THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, REGULATIONS AND NASD RULES CONCERNING TIMELY TRANSACTION REPORTING TO THE MUNICIPAL SECURITIES RULEMAKING BOARD (MSRB).

Initiated By:

FINRA

Date Initiated:

07/22/2008

Docket/Case Number:

20060058636-01

Principal Product Type:

Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:



Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 07/22/2008

Sanctions Ordered: Censure
Monetary/Fine \$10,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$10,000.

Disclosure 3 of 4

Reporting Source: Regulator

Current Status: Final

Allegations: NASD RULES 2110, 2210(D)(1)(A) AND (B), (D)(2)(B) AND (D)(2)(C) - IN CONNECTION WITH THE OFFERS AND SALES OF CERTIFICATE OF DEPOSIT ISSUED BY A BANK AFFILIATE, IT DISTRIBUTED SALES LITERATURE THAT DID NOT COMPLY WITH NASD ADVERTISING RULES IN THAT IT FAILED TO DISCLOSE THAT THE AFFILIATION BETWEEN THE FIRM AND THE BANK COULD CREATE A CONFLICT OF INTEREST, FAILED TO PRESENT FAIR AND BALANCED TREATMENT OF THE RISKS AND POTENTIAL BENEFITS OF A CD INVESTMENT, IT DID NOT CONTAIN THE NAME OF THE FIRM USING THE MATERIALS AND IT CONTAINED MISLEADING, UNFAIR AND UNBALANCED INFORMATION.

Initiated By: FINRA

Date Initiated: 11/14/2007

Docket/Case Number: 2005002203701

Principal Product Type: CD(s)

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 11/14/2007



Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?
 Sanctions Ordered:

No

Censure
 Monetary/Fine \$10,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, STANFORD GROUP COMPANY CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM IS CENSURED AND FINED \$10,000.

Reporting Source:

Firm

Current Status:

Final

Allegations:

NASD RULES 2110, 2210(D)(1)(A) AND (B), (D)(2)(B) AND (D)(2)(C) - IN CONNECTION WITH THE OFFERS AND SALES OF CERTIFICATE OF DEPOSIT ISSUED BY A BANK AFFILIATE, IT DISTRIBUTED SALES LITERATURE THAT DID NOT COMPLY WITH NASD ADVERTISING RULES IN THAT IT FAILED TO DISCLOSE THAT THE AFFILIATION BETWEEN THE FIRM AND THE BANK COULD CREATE A CONFLICT OF INTEREST, FAILED TO PRESENT FAIR AND BALANCED TREATMENT OF THE RISKS AND POTENTIAL BENEFITS OF A CD INVESTMENT, IT DID NOT CONTAIN THE NAME OF THE FIRM USING THE MATERIALS AND IT CONTAINED MISLEADING, UNFAIR AND UNBALANCED INFORMATION.

Initiated By: FINANCIAL INDUSTRY REGULATORY AUTHORITY

Date Initiated:

11/14/2007

Docket/Case Number:

2005002203701

Principal Product Type:

CD(s)

Other Product Type(s):

Principal Sanction(s)/Relief

Sought:

ACCEPTANCE, WAIVER & CONSENT (AWC)

Other Sanction(s)/Relief

Sought:

Acceptance, Waiver & Consent(AWC)

Resolution:

Resolution Date:

11/14/2007

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**Sanctions Ordered:**

Censure
Monetary/Fine \$10,000.00

Other Sanctions Ordered:**Sanction Details:**

WITHOUT ADMITTING OR DENYING THE FINDINGS, STANFORD GROUP COMPANY CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM WAS CENSURED AND FINED \$10,000.

Disclosure 4 of 4**Reporting Source:**

Regulator

Current Status:

Final

Allegations:

SECTION 15(C) OF THE SECURITIES EXCHANGE ACT OF 1934, RULES 15C3-1, 15C3-3, NASD RULES 2110, 3010 - IN CONNECTION WITH THE FIRM'S RETAIL BROKERAGE OPERATIONS, IT HELD CUSTOMER FUNDS WITHOUT MAKING REQUIRED RESERVE COMPUTATIONS AND TO MAKE DEPOSITS INTO A SPECIAL RESERVE BANK ACCOUNT FOR THE EXCLUSIVE BENEFIT OF THE CUSTOMERS. THE FINDINGS STATED THAT THE FIRM FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, REGULATIONS AND NASD RULES IN THAT IT FAILED TO PROVIDE EACH OF ITS BRANCH OFFICES WITH COPIES OF ITS WRITTEN SUPERVISORY PROCEDURES OR AN EQUIVALENT DOCUMENT REGARDING THE TIMELY PROCESSING OF CUSTOMER CHECKS. THE FINDINGS ALSO STATED THAT THE FIRM CONDUCTED A SECURITIES BUSINESS WHILE FAILING TO MAINTAIN ITS REQUIRED MINIMUM NET CAPITAL.

Initiated By:

NASD

Date Initiated:

04/12/2007

Docket/Case Number:

E062005005301

Principal Product Type:

No Product

Other Product Type(s):**Principal Sanction(s)/Relief Sought:****Other Sanction(s)/Relief Sought:****Resolution:**

Acceptance, Waiver & Consent(AWC)



Resolution Date: 04/12/2007

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$20,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, STANFORD GROUP COMPANY CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM WAS CENSURED AND FINED \$20,000.

Reporting Source:

Firm

Current Status:

Final

Allegations:

SECTION 15(C) OF THE SECURITIES EXCHANGE ACT OF 1934, RULES 15C3-1, 15C3-3, NASD RULES 2110, 3010 - IN CONNECTION WITH THE FIRM'S RETAIL BROKERAGE OPERATIONS, IT HELD CUSTOMER FUNDS WITHOUT MAKING REQUIRED RESERVE COMPUTATIONS AND TO MAKE DEPOSITS INTO A SPECIAL RESERVE BANK ACCOUNT FOR THE EXCLUSIVE BENEFIT OF THE CUSTOMERS. THE FINDINGS STATED THAT THE FIRM FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, REGULATIONS AND NASD RULES IN THAT IT FAILED TO PROVIDE EACH OF ITS BRANCH OFFICES WITH COPIES OF ITS WRITTEN SUPERVISORY PROCEDURES OR AN EQUIVALENT DOCUMENT REGARDING THE TIMELY PROCESSING OF CUSTOMER CHECKS. THE FINDINGS ALSO STATED THAT THE FIRM CONDUCTED A SECURITIES BUSINESS WHILE FAILING TO MAINTAIN ITS REQUIRED MINIMUM NET CAPITAL.

Initiated By:

NATIONAL ASSOCIATION OF SECURITIES DEALERS

Date Initiated:

04/12/2007

Docket/Case Number:

E062005005301

Principal Product Type:

Other

Other Product Type(s):

NO PRODUCT

Principal Sanction(s)/Relief

Other



Sought:

Other Sanction(s)/Relief

Sought:

LETTER OF ACCEPTANCE, WAIVER AND CONSENT ("AWC")

Resolution:

Acceptance, Waiver & Consent(AWC)

Resolution Date:

04/12/2007

Sanctions Ordered:

Censure
Monetary/Fine \$20,000.00

Other Sanctions Ordered:

Sanction Details:

WITHOUT ADMITTING OR DENYING THE FINDINGS, STANFORD GROUP COMPANY CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM WAS CENSURED AND FINED \$20,000.



Civil - Pending

This section provides details regarding pending, civil actions as reported by the firm and/or a securities regulator to CRD. The event may include an action filed in a foreign or domestic court in connection with seeking an injunction to cease certain investment-related activity or an allegation of a violation of any investment-related statute(s) or regulation(s).

Disclosure 1 of 1

Reporting Source:	Regulator
Current Status:	Pending
Allegations:	SEC LITIGATION RELEASE 20901, FEBRUARY 17, 2009: SECTION 17(A) OF THE SECURITIES ACT OF 1933, SECTION 10(B) OF THE SECURITIES EXCHANGE ACT OF 1934 AND RULE 10B-5 THEREUNDER, AND SECTIONS 206(1) AND 206(2) OF THE ADVISERS ACT OF 1940, AND SECTION 7(D) OF THE INVESTMENT COMPANY ACT OF 1940 - THE SEC'S COMPLAINT ALLEGES THAT THE DEFENDANTS, INCLUDING HOUSTON BASED BROKER-DEALER AND INVESTMENT ADVISER, STANFORD GROUP COMPANY, HAVE COMMITTED AN \$8 BILLION FRAUD. THE COMPLAINT ALLEGES THAT ACTING THROUGH A NETWORK OF FINANCIAL ADVISERS, A BANK HAS SOLD APPROXIMATELY \$8 BILLION OF SO-CALLED "CERTIFICATES OF DEPOSIT" TO INVESTORS BY PROMISING IMPROBABLE AND UNSUBSTANTIATED HIGH INTEREST RATES, SUPPOSEDLY EARNED THROUGH ITS UNIQUE INVESTMENT STRATEGY, WHICH HAS PURPORTEDLY ALLOWED THE BANK TO ACHIEVE DOUBLE-DIGIT RETURNS ON ITS INVESTMENTS OVER THE PAST 15 YEARS. ACCORDING TO THE COMPLAINT, THE DEFENDANTS HAVE MISREPRESENTED TO CD PURCHASERS THAT THEIR DEPOSITS ARE SAFE, FALSELY CLAIMING THAT THE BANK RE-INVESTS CLIENT FUNDS PRIMARILY IN "LIQUID" FINANCIAL INSTRUMENTS (THE "PORTFOLIO"); MONITORS THE PORTFOLIO THROUGH A TEAM OF 20-PLUS ANALYSTS; AND IS SUBJECT TO YEARLY AUDITS BY ANTIGUAN REGULATORS.
Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Court Details:	U.S. DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS, CASE NO. 3-09CV0298-L (N.D.TX.)
Date Court Action Filed:	02/16/2009
Principal Product Type:	CD(s)
Other Product Types:	
Relief Sought:	Injunction
Other Relief Sought:	PERMANENT INJUNCTION, DISGORGEMENT OF ILL-GOTTEN GAINS PLUS PRE-JUDGMENT INTEREST, AND CIVIL MONEY PENALTIES.
Summary:	THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION



ANNOUNCED THAT ON FEBRUARY 16, 2009, A FEDERAL JUDGE IN THE NORTHERN DISTRICT OF TEXAS, IN RESPONSE TO THE COMMISSION'S APPLICATION FOR EMERGENCY PRELIMINARY RELIEF, ENTERED A TEMPORARY RESTRAINING ORDER AGAINST AN INDIVIDUAL AND THREE OF HIS COMPANIES, INCLUDING STANFORD GROUP COMPANY. THE TEMPORARY RESTRAINING ORDER RESTRAINS THE DEFENDANTS FROM VIOLATING CERTAIN ANTIFRAUD PROVISIONS OF THE FEDERAL SECURITIES LAWS, AS WELL AS PROVISIONS OF THE INVESTMENT COMPANY AND INVESTMENT ADVISER ACTS. ALSO, THE JUDGE FROZE ALL ASSETS OF THE DEFENDANTS UNTIL FURTHER NOTICE, ORDERED THAT ASSETS OUTSIDE THE U.S. BE RETURNED TO THE COURT'S JURISDICTION, APPOINTED A RECEIVER TO MARSHAL THE DEFENDANTS' ASSETS AND GRANTED OTHER RELIEF.



Arbitration Award - Award/Judgment

Firms are not required to report arbitration claims filed against them by customers on Form BD; however, FINRA provides summary information regarding FINRA arbitration awards involving securities and commodities disputes between public customers and FINRA-registered firms in this section of the report. Note: An arbitration may contain multiple instances of a certain Relief Type (e.g., Actual/Compensatory Damages) requested by or awarded to one or more Claimants.

The full text of arbitration awards issued by FINRA is available at www.finra.org/awardsonline.

Disclosure 1 of 9

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	EMPLOYMENT-PROMISSORY NOTES
Arbitration Forum:	NASD
Case Initiated:	02/21/2001
Case Number:	<u>01-00680</u>
Disputed Product Type:	UNKNOWN TYPE OF SECURITIES
Relief Sought:	ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY; ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY
Disposition:	CLOSED-BY HEARING
Disposition Date:	12/17/2001
Relief Awarded:	ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL; ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED IN FULL

Disclosure 2 of 9

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	FRAUDULENT ACTIVITY-SUITABILITY; FRAUDULENT ACTIVITY-CHURNING; FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT
Arbitration Forum:	NASD

09/26/2001

01-04607

ANNUITIES; MUTUAL FUNDS; COMMON STOCK

ANNUITIES; MUTUAL FUNDS; COMMON STOCK

ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$1,500,000.00
JOINTLY AND SEVERALLY; ACTUAL/COMPENSATORY DAMAGES, ASKED
AMOUNT \$0.00 JOINTLY AND SEVERALLY; ACTUAL/COMPENSATORY
DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY
AND SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND
SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY
AND SEVERALLY; ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT
\$0.00 JOINTLY AND SEVERALLY; ACTUAL/COMPENSATORY DAMAGES,
ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY
AND SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY
AND SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY
AND SEVERALLY; ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT
\$0.00 JOINTLY AND SEVERALLY; ACTUAL/COMPENSATORY DAMAGES,
ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

AWARD AGAINST PARTY

03/20/2003

ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD
AMOUNT \$101,206.15; ACTUAL/COMPENSATORY DAMAGES,
CLOSED-AWARDED; ACTUAL/COMPENSATORY DAMAGES,
CLOSED-DENIED IN FULL; ACTUAL/COMPENSATORY DAMAGES,
CLOSED-DENIED IN FULL; INTEREST, CLOSED-AWARDED, AWARD
AMOUNT \$0.01; INTEREST, CLOSED-AWARDED;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL; ATTORNEY'S FEES,
CLOSED-DENIED IN FULL; ACTUAL/COMPENSATORY DAMAGES,
CLOSED-DENIED IN FULL; ACTUAL/COMPENSATORY DAMAGES,
CLOSED-DENIED IN FULL

Disclosure 3 of 9

Regulator

ARBITRATION

**Allegations:**

FRAUDULENT ACTIVITY-SUITABILITY; ACCOUNT RELATED-NEGLECTENCE;
FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT
ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum:

NASD

Case Initiated:

02/13/2002

Case Number:

02-00726

Disputed Product Type:

UNKNOWN TYPE OF SECURITIES

Relief Sought:

ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$500,000.00
JOINTLY AND SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 JOINTLY
AND SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY
AND SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND
SEVERALLY; OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY
AND SEVERALLY

Disposition:

CLOSED-BY HEARING

Disposition Date:

05/01/2003

Relief Awarded:

ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL; ATTORNEY'S FEES,
CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED IN FULL;

OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 4 of 9**Reporting Source:**

Regulator

Type of Event:

ARBITRATION

Allegations:

FRAUDULENT ACTIVITY-SUITABILITY; FRAUDULENT
ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-OMISSION OF
FACTS; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum:

NASD

Case Initiated:

12/18/2002

Case Number:

02-07391

Disputed Product Type:

MUTUAL FUNDS; COMMON STOCK

Relief Sought:

ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$23,033.64
SEVERALLY; ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT
\$19,389.95 SEVERALLY; ACTUAL/COMPENSATORY DAMAGES, ASKED
AMOUNT \$981,848.58 SEVERALLY; ACTUAL/COMPENSATORY DAMAGES,



ASKED AMOUNT \$18,201.59 SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$1,000,000.00 SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY

AWARD AGAINST PARTY

11/18/2004

ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$237,500.00; ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL; INTEREST, CLOSED-AWARDED, AWARD AMOUNT \$0.01; INTEREST, CLOSED-AWARDED; INTEREST, CLOSED-AWARDED; OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$16,500.00; OTHER COSTS, CLOSED-AWARDED; OTHER COSTS, CLOSED-AWARDED; ATTORNEY'S FEES, CLOSED-AWARDED, AWARD AMOUNT \$25,000.00; ATTORNEY'S FEES, CLOSED-AWARDED; ATTORNEY'S FEES, CLOSED-AWARDED; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL

Disposition:

Disposition Date:

Relief Awarded:

Disclosure 5 of 9

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	FRAUDULENT ACTIVITY-SUITABILITY
Arbitration Forum:	NASD
Case Initiated:	03/19/2003
Case Number:	03-00588
Disputed Product Type:	UNKNOWN TYPE OF SECURITIES
Relief Sought:	ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$65,000.00 JOINTLY AND SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY



AND SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

AWARD AGAINST PARTY

12/11/2003

ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$10,282.00; ATTORNEY'S FEES, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED IN FULL; OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 6 of 9

Reporting Source:

Regulator

Type of Event:

ARBITRATION

Allegations:

FRAUDULENT ACTIVITY-SUITABILITY; ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum:

NASD

Case Initiated:

07/10/2003

Case Number:

03-04894

Disputed Product Type:

UNKNOWN TYPE OF SECURITIES

Relief Sought:

ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$510,000.00 JOINTLY AND SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition:

CLOSED-BY HEARING

Disposition Date:

10/05/2004

Relief Awarded:

ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL; OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL; INTEREST, CLOSED-DENIED IN FULL; ATTORNEY'S FEES, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED IN FULL; OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

**Disclosure 7 of 9**

Reporting Source: Regulator
Type of Event: ARBITRATION
Allegations: FRAUDULENT ACTIVITY-SUITABILITY; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNAUTHORIZED TRADING
Arbitration Forum: NASD
Case Initiated: 08/28/2003
Case Number: 03-06148
Disputed Product Type: UNKNOWN TYPE OF SECURITIES
Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$800,000.00 SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY; OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY
Disposition: CLOSED-BY HEARING
Disposition Date: 04/26/2005
Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL; INTEREST, CLOSED-DENIED IN FULL; ATTORNEY'S FEES, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED IN FULL; OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 8 of 9

Reporting Source: Regulator
Type of Event: ARBITRATION
Allegations: FRAUDULENT ACTIVITY-SUITABILITY; FRAUDULENT ACTIVITY-UNAUTHORIZED TRADING
Arbitration Forum: NASD
Case Initiated: 12/23/2004
Case Number: 04-08573
Disputed Product Type: OTHER TYPES OF SECURITIES

[illegible]

CLOSED-STIP. AWARD

01/24/2007

ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED



IN FULL; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED
 IN FULL; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED
 IN FULL; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED
 IN FULL; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED
 IN FULL; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED
 IN FULL; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED
 IN FULL; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL; ATTORNEY'S
 FEES, CLOSED-DENIED IN FULL

Disclosure 9 of 9

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	EXECUTIONS-FAILURE TO EXECUTE; FRAUDULENT ACTIVITY-OMISSION OF FACTS; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT
Arbitration Forum:	NASD
Case Initiated:	12/18/2006
Case Number:	06-05283
Disputed Product Type:	GOVERNMENT SECURITIES
Relief Sought:	ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$296,090.00 SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY;



OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY; OTHER MONETARY
RELIEF, ASKED AMOUNT \$0.00 SEVERALLY

AWARD AGAINST PARTY

12/26/2007

Disposition:

Disposition Date:

Relief Awarded:

ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD
AMOUNT \$297,000.00; INTEREST, CLOSED-DENIED IN FULL;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL; OTHER
COSTS, CLOSED-DENIED IN FULL; OTHER MONETARY RELIEF,
CLOSED-DENIED IN FULL

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BrokerCheck reports are part of a FINRA initiative to disclose information about FINRA-registered firms and brokers to help investors determine whether to conduct, or continue to conduct, business with these firms and brokers. The information contained within these reports is collected through the securities industry's registration and licensing process.

Who provides the information in BrokerCheck?

Information made available through FINRA BrokerCheck is derived from the Central Registration Depository (CRD®) as reported on the industry registration and licensing forms brokerage firms and brokers are required to complete.

The forms used by brokerage firms, Forms BD and BDW, are established by the Securities and Exchange Commission (SEC) and adopted by all state securities regulators and self-regulatory organizations (SROs). FINRA and the North American Securities Administrators Association (NASAA) establish the Forms U4 and U5, the forms that collect broker information. Regulators provide information via Form U6, which is used primarily to report certain history about brokerage firms and brokers. These forms are approved by the SEC.

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